



## **COVID-19: Vehicle Disinfecting Services**

**Date:** September 15, 2021  
**To:** TTC Board  
**From:** Chief Vehicles Officer

### **Summary**

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The purpose of this report is to obtain the Board's approval to amend Contract C32PZ17834 – Bus Servicing and Cleaning by increasing the contract's upset limit to cover the costs associated with vehicle disinfection, address corrosion issues resulting from the chemical disinfectants, and additional base contract costs required for unbudgeted construction work.

Currently, all bus cleaning and vehicle disinfection work is provided by TBM Service Group Inc. (TBM) under contract C32PZ17834, which expires on December 31, 2023. Vehicle disinfection work is part of the TTC's response to the COVID-19 pandemic.

### **Recommendations**

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It is recommended that the TTC Board:

1. Authorize a contract amendment to TBM Service Group Inc. for Contract C32PZ17834 – Bus Servicing and Cleaning to increase the upset limit amount by \$14,816,448.58 to \$119,381,143.58 from \$104,564,695 in Canadian funds, inclusive of all taxes to provide sufficient funds for vehicle disinfecting, corrosion removal, and additional base contract costs required for unbudgeted construction work from January 1, 2021 to December 31, 2021.

### **Financial Summary**

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The base contract for bus cleaning services with TBM is \$91,500,000. Previously approved amendments that increased the upset limit to \$104,564,695, are summarized in the table on the next page.

Table 1. Base Cleaning Contract and Approved Amendments	
Approval Summary	
Item	Amount
Original Cleaning And Servicing Contract Amount	\$91,500,000.00
Fire Watch – Arrow Garage	\$44,255.00
Bus Cleaning Additional Scope – Light Lenses	\$165,000.00
Construction at facilities – Wilson Garage	\$564,690.00
2020 Disinfection	\$12,290,750.00
	\$104,564,695.00

Approved amendments in the above table were required for the following reasons:

- In 2019, Arrow Road Garage experienced a ruptured water main that rendered the buildings fire sprinkler system inoperable. As mandated by TTC’s Fire Prevention Inspectors, a dedicated fire Watch-person was required to continue work on the service line;
- In 2019, staff identified the need for all lenses on the interior light diffusers to be thoroughly cleaned, and in some instances, replaced. This work is not included in TBM’s base contract and a contract amendment was issued to refresh these components on the fleet;
- Construction work at Wilson Garage in 2019 and 2020 required one of the service lines to be shut down. To ensure daily pre-servicing was achieved as per schedules, TBM was required to clean and inspect buses in the storage bays. Additional TBM staff was required for this work which resulted in extra costs in the amount of \$564,690.
- In 2020, in response to the COVID-19 pandemic, TBM was assigned vehicle disinfecting work in addition to their vehicle cleaning duties. To ensure streetcars, subway trains, and non-revenue vehicles were also being disinfected, amendments that totalled \$12,290,750 were made to the Bus Servicing and Cleaning Contract. These amendments were approved by the Board through delegated authority provided to the CEO for all 2020 COVID-19 mitigation measures at the September 24, 2020 Board meeting.

To ensure continuation of disinfecting work, at a frequency of twice daily, until December 31, 2021, an increase of \$14,816,448.58 to the total upset limit is required. Of the total requested, \$14,793,948.58 is required specifically for vehicle disinfection and corrosion removal, and the remaining \$22,500 is required to cover the cost of additional staffing due to construction impacts at Malvern Garage.

Sufficient funds for this recommended contract amendment are included in the TTC’s 2021 Operating Budget as approved by the Board on December 21, 2020 and City Council on February 18, 2021. The 2021 Operating Budget includes a provision of \$25.8 million (net of HST rebate) for vehicle disinfection services. With clarification on

scope and pricing, 2021 requirements have been reduced to a total of \$14,816,448.58 (or \$13,342,670.87 net of HST rebate).

Authority to increase the total upset limit of contract C32PZ17834 – Bus Servicing and Cleaning addresses all COVID-19 Revenue and Non-Revenue vehicle disinfection requirements from January 1, 2021 until December 31, 2021.

The Interim Chief Financial Officer has reviewed this report and agrees with the financial impact information.

## **Equity/Accessibility Matters**

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A cornerstone of the TTC's Corporate Plan 2018-2022 is safety and security, and as a proud leader in providing public transit in the city of Toronto, we are committed to ensuring reliable, safe, and clean vehicles for all our customers and employees. This is supported through the work of Contract C32PZ17834 for Bus Servicing and Cleaning for all TTC vehicles.

## **Decision History**

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At the November 13, 2017 meeting, the Board authorized the award of Contract C32PZ17834 to TBM Service Group Inc. (TBM) to provide regular bus cleaning and servicing for various TTC properties with a duration of 75 months from December 31, 2017 to December 31, 2023 in the upset limit amount of \$91,500,000.

[https://www.ttc.ca/About the TTC/Commission reports and information/Commission meetings/2017/November 13/Reports/12 Bus Servicing and cleaning Procurement Authorization.pdf](https://www.ttc.ca/About%20the%20TTC/Commission%20reports%20and%20information/Commission%20meetings/2017/November%2013/Reports/12%20Bus%20Servicing%20and%20cleaning%20Procurement%20Authorization.pdf)

At the May 13, 2020 meeting, the Board endorsed expenditures required for COVID-19 response activities; and endorsed the cost containment and workforce realignment strategy.

[https://www.ttc.ca/About the TTC/Commission reports and information/Commission meetings/2020/May 13/Reports/Decisions/5 Preliminary COVID 19 Financial Impacts for the TTC Decisions.pdf](https://www.ttc.ca/About%20the%20TTC/Commission%20reports%20and%20information/Commission%20meetings/2020/May%2013/Reports/Decisions/5%20Preliminary%20COVID%2019%20Financial%20Impacts%20for%20the%20TTC%20Decisions.pdf)

At the June 17, 2020 meeting, the Board made the decision to endorse the expenditure of \$27.5 million required for COVID-19 related activities to Labour Day, and provided the Chief Executive Officer delegated authority of up to \$15 million to implement health and safety measures. The Board also requested the federal and provincial governments to provide emergency operating funding.

[https://www.ttc.ca/About the TTC/Commission reports and information/Commission meetings/2020/June 17/Reports/Decisions/4 COVID 19 Transitioning from Response to Restart and Recovery.pdf](https://www.ttc.ca/About%20the%20TTC/Commission%20reports%20and%20information/Commission%20meetings/2020/June%2017/Reports/Decisions/4%20COVID%2019%20Transitioning%20from%20Response%20to%20Restart%20and%20Recovery.pdf)

At the September 24, 2020 meeting, the Board received an update on TTC's COVID-19 Restart and Recovery Plan. As part of this update, the Board endorsed the expenditures of \$39.1 million for Covid-19 related activities forecasted to December 31, 2020. The Board also provided the Chief Executive Officer delegated authority up to \$15 million in order to implement any additional measures necessary to protect health and safety.

[https://www.ttc.ca/About the TTC/Commission reports and information/Commission meetings/2020/September 24/Reports/5 COVID 19 Restart and Recovery Update Updated.pdf](https://www.ttc.ca/About%20the%20TTC/Commission%20reports%20and%20information/Commission%20meetings/2020/September%2024/Reports/5%20COVID%2019%20Restart%20and%20Recovery%20Update%20Updated.pdf)

## **Issue Background**

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In response to the COVID-19 pandemic and the State of Emergency declared by the Province of Ontario, the TTC required a third-party company to perform disinfection services on TTC vehicles twice a day (minimum) in accordance with public health guidelines. To expedite vehicle disinfection services, TBM Service Group Inc. was requested to perform this work under their existing Bus Servicing and Cleaning contract with TTC. The cost was incurred under delegated authority from the TTC Board as approved at the June 17, 2020 and September 24, 2020 meetings, and related costs have been captured in COVID-19 incremental expense reporting to the Board.

## **Comments**

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Due to the urgent need to mitigate the spread of COVID-19, the TTC required a third-party company to perform disinfection services in accordance with public health guidelines. To expedite this work, the TTC engaged TBM Service Group to disinfect its vehicles fleet. This work was in addition to the cleaning services they were already providing on the TTC's bus fleet.

In an effort to receive competitive pricing for vehicle disinfecting, the TTC issued a Request for Bids (RFB). The RFB was publicly posted on the TTC's website and MERX website on November 6, 2020 with a closing date of December 4, 2020. Twenty-eight companies downloaded copies of the bid document, out of which 10 submitted a bid by the closing date. Due to concerns with the evaluation process and discrepancies identified with one of the bids submitted, the RFB was cancelled on June 14, 2021.

In retrospect, a contract amendment should have been submitted to the Board in January 2021 recommending that vehicle disinfection services be performed by TBM Service Group Inc. for the interim until a new contract specifically for vehicle disinfection could be awarded. With the 2021 approved funding authority in place to cover vehicle disinfection costs, staff were able to ensure there has been no disruption in vehicle infection efforts to date.

To ensure no further interruptions to vehicle disinfecting services, the TTC is requesting authority to increase the upset limit to the existing Bus Service and Cleaning Contract C32PZ17834 to cover costs until December 31, 2021.

Given the evolving nature of the COVID-19 pandemic, the TTC continues to consult with and follow public health guidance on health and safety measures. As such, if the need for vehicle disinfecting continues into 2022, TTC staff are currently preparing a new RFB, which is scheduled to be posted in October 2021 and awarded in December 2021. Given concerns raised from the original RFB submissions, the TTC will be engaging a fairness monitor for this upcoming RFP to ensure integrity of the procurement process.

It should be noted that Public Health Ontario has recently revised their guidelines for disinfecting. Staff are reviewing these changes and are assessing impacts to disinfecting frequencies and costs.

While chemical disinfecting of the TTC's vehicles fleet has helped to keep its employees and passengers safe, the corrosive nature of the approved products has resulted in corrosion and damage to vehicle surface and equipment. Costs to address these corrosion issues and damage to vehicle surface and equipment are being captured as incremental costs as a result of the COVID-19 pandemic.

## **Contact**

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## **Signature**

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